



City of Montague City Clerk's Office

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May 2, 2008

HOUSING POLICY
DEVELOPMENT, HCD
MAY 05 2008

Housing and Community Development
Housing Policy Department
1800 3rd Street
Sacramento, CA 95811-6942

RE: City of Montague General Plan Annual Progress Reports

Dear Sir or Madam:

The City of Montague is pleased to submit their General Plan Annual Progress Report as required by Government Code 65400. The City's General Plan last updated for most elements was 1992. An update to the Housing Element was done in 2004. During the planning period the City has not processed any general plan amendments or initiated any planning activities, such as master plans, specific plans or annexations. The City has not initiated or received any major developments for processing.

The City's Council reviewed and accepted this APR at their regular meeting of April 17, 2008.

Sincerely,

Janie Sprague
City Clerk

HOUSING POLICY
DEVELOPMENT, HCD
MAY 05 2008

**Department of Housing and
Community Development
ANNUAL HOUSING ELEMENT PROGRESS REPORT**

City or County Name:

City of Montague

Mailing Address:

City of Montague

PO Box 458

Montague, CA 96064

Contact Person: Janie Sprague Title: City Clerk

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Reporting Period by Calendar Year: from July 31, 2007 to June 30, 2008

These forms and tables, including the **Certificate of Accuracy** are due to the Department of Housing and Community Development (HCD) on or before October 1, 2006. Thereafter, the Annual Report incorporated into these forms must be submitted to HCD and the Governor's Office of Planning and Research (OPR) on or before April 1, 2008; submit separate reports directly to both HCD and OPR (Government Code Section 65400) at the addresses listed below:

Department of Housing and Community Development
Division of Housing Policy Development
1800 3rd Street
Sacramento, CA 95811-6942

-and-

Governor's Office of Planning and Research
P. O. Box 3044
Sacramento, CA 95812-3044

CERTIFICATION OF ACCURACY

The undersigned in the capacity of City Clerk on behalf of the City of Montague has reviewed the information provided in the forms and report contained herein, and certifies, to the best of her knowledge, that the information that has been provided herein is true and correct.

Janie Sprague
Janie Sprague, City Clerk

May 2, 2008
Date

Housing Development Information										Housing with Financial Assistance and or Deed Restrictions			Housing without Financial Assistance or Deed Restrictions
1. Project Identifier (may be APN No.) or Project name)	2. Unit Category	3. Dwelling Units per acre=du/ac	4. Tenure R=Rent O=Owner	5. Affordability by Household Incomes				6. Totals per Project ▼▼	7. Assistance Programs for Each Development See Instructions		8. Deed Restricted Units See Instructions	9. Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instruction.	
				Very Low Income	Low Income	Moderate Income	Above Moderate Income						
052-132-150	MH	1			X			1				1 (See attachment)	
052-172-100	MH	1			X			1				1 (See attachment)	
052-272-320	MH	1			X			1				1 (See attachment)	
052-163-320	SF	1			X			1				1 (See attachment)	
052-111-160	SF	1	O			X		1				1 (See attachment)	
052-221-070	SF	1	O				X	1				1 (See attachment)	
052-223-030	MH	1	O			X		1				1 (See attachment)	
052-272-290	MH	1	O			X		1				1 (See attachment)	
10. Total by income units (Field 5) Table A									1	3	1	8	

ANNUAL
ELEMENT PROGRESS REPORT
on Housing Element Implementation
(CCR Title 25 Section 6202)

Explanation to TABLE A Part 2

None of the eight dwelling units constructed in the City of Montague during the past fiscal year (July 1, 2006 through June 30, 2007) were constructed with financial assistance. Three units are owner occupied single-family residences located at: 1) 140 W. Scobie Street (APN 052-163.320), 2) 101 S. 14th Street (APN 052-111-160, 3) 420 S. 9th Street (APN 052-221-070. Five units are manufactured homes installed upon foundations. Four units were determined to fulfill a portion of the City's share of regional housing needs for persons of low income and three units for persons of moderate income.¹ This was determined by combining the value of improvements (i.e., construction costs as stated in the building permit) along with the purchase price of the lot upon which the dwelling was constructed and then comparing the total value against the 2007 threshold of affordability for the various income groups as identified by HCD (<http://housing.hcd.ca.gov/hpd/hrc/rep/state/inc2k6.pdf>). As the dwelling is not intended for sale, no sales price could be determined.

The City has made advancement towards meeting its share of regional housing needs for persons of moderate income and will continue to further its goal of meeting its share during the planning period.

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Table B: Regional Housing Need Allocation Progress

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.		2003	2004	2005	2006	2007	2008	2009	Total Units to Date (all years)	Total Remaining RHNA by Income Level
	RHNA Allocation by Income Level	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9		
Very Low	Deed Restricted	11								0
	Non-deed restricted	8	8	3	3				22	
Low	Deed Restricted	9								5
	Non-deed restricted	1	1	1		1			4	
Moderate	Deed Restricted	5								0
	Non-deed restricted		2			3			5	
Above Moderate		17	5	3	2		1		11	6
Total RHNA by COG. Enter allocation number:		42								
Total Units		14	14	6	3	5			42	11*
Remaining Need for RHNA Period										

* From 2003 - 2007, ten single family residential units have been rehabilitated. In accordance with Section 65583.1(c)(2)(A), for every three units rehabilitated one unit may be subtracted from the regional needs

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on Housing Element Implementation

(CCR Title 25 Section 6202)

Explanation to TABLE B Part 2

The following tables identify the Maximum Income Levels for various economic groups in Siskiyou County, as well as the Maximum Monthly Housing Expenditure and the Maximum Affordable Home Price for each group. The annual income limits are defined by the California Department of Housing and Community Development (HCD) each year, with the numbers utilized being those provided by HCD for 2007. The formulas used to ascertain the maximum monthly housing affordability were determined through review of Sections 50052.5 and 50093 of the California Health and Safety Code.

	Very Low Income (VL)	Low Income (L)	Median Income (AMI)	Moderate Income (M)
Maximum Annual Income	\$25,750	\$41,200	\$51,500	\$61,800
Maximum Monthly Housing Affordability ¹	\$321.88	\$721.00	\$1,287.50	\$1,982.75

¹ Very Low Income = 50% of Median Income
Low Income = 50 to 80% of Median Income
Moderate Income = 80 to 120% of Median Income

² Very Low Income = $\$25,750 \times 0.30 \times 0.50/12$
Low Income = $\$41,200 \times 0.30 \times 0.70/12$
Median Income = $\$51,500 \times 0.30/12$
Moderate Income = $\$61,800 \times 0.35 \times 1.10/12$

Using the affordability numbers as calculated above and a real estate calculator that assumed a fixed 6.5% 30-year loan, the following maximum affordable purchase price limits were determined.

Income Limits	Maximum Affordable Purchase Price
Very Low Income	\$51,201
Low Income	\$114,688
Median Income	\$204,800
Moderate Income	\$315,392

¹ It is important to note that new home values at the median income level are reported at the moderate income level for the purpose of satisfying the City's share of regional housing needs, as there is no allocation for median income housing.

Based upon the calculations above, a review of all permits issued for new construction in the City since January 1, 2003, the estimated cost of construction for each of those units and the sale price of the lot when available, it appears the City has met 200 percent of its share of the regional housing needs for very low income levels, 55 percent for low income levels, 100 percent for moderate income levels and 65 percent for above moderate income levels. Given the progress made thus far, it is likely the City will come close to the meeting its goal, or even reach its goal, for very low income housing needs in the next year. However, meeting the City's goal for above moderate income levels is a little less likely given the current economy and weakness in the housing market.

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Table C
Program Implementation Status

Part One			
Program Description (By Housing Element Program Names)	Housing Programs Progress Report - Government Code Section 65583		
Name of Program:	Describe progress of all programs including progress in removing regulatory barriers. Objective:	Deadline in H.E.	Status of Program Implementation
	GOAL I: PROVIDE FOR THE ACCESSIBILITY OF DECENT HOUSING TO ALL CITY RESIDENTS REGARDLESS OF RACE, SEC, SOCIOECONOMIC, AGE OR OTHER ARBITRARY FACTORS.		
	POLICY A: Support the elimination of Housing discrimination.		
No Name	1) Enforce applicable laws and regulations.	Ongoing	All laws were enforced.
No Name	2) Refer persons with housing discrimination complaints to the appropriate local, state, or federal agency. The City has posted fair housing notice published by the Fair Employment and Housing Department and the City Clerk will provide referral service to those persons with housing discrimination complaints.	Ongoing	No complaints were received, however the City is committed to assist residents if complaints are received.
	POLICY B: Encourage housing opportunities for special needs groups.		
No Name	1) To encourage the developers of multifamily or single family housing to set-aside a portion of new units for all special needs groups, especially the elderly, handicapped, overcrowded and female householders. The City will provide density bonuses to housing developers that provide affordable housing for special needs groups. And the City shall inform developers of these incentives and advised of these policies at the permit processing stage by including a copy of this housing element.	Incentive development by December 2006.	Five units were constructed for low income residents, it is assumed the special needs group would also be low income.

No Name	2) The City staff shall conduct an annual public review of special needs groups and report to the City Council all suggestions developed at those meetings.	Annual	Annual review was held and has been of value.
No Name	3) City shall implement the following regarding special needs groups: a) Large families: City shall, on an ongoing basis, encourage large families that live in overcrowded conditions to apply for City sponsored housing rehabilitation funds to construct "additions" to their existing housing.	Apply for CDBG every other year	This measure has been enacted and should continue.
No Name	b) Handicapped: In City sponsored housing rehabilitation programs, handicapped modifications for housing occupied by handicapped persons shall be encouraged.	Apply for grant every other year.	This measure has been enacted and should continue.
No Name	c) Female householders: on an ongoing basis the City shall: Encourage developers of multifamily housing to acquire rental subsidies prior to construction.	Ongoing	This measure has been enacted and should continue.
No Name	Refer female householders with poverty incomes to the operators of the Section 8 Existing, Weatherization and Energy Crisis Intervention Programs. Clerk shall meet with providers on an annual basis to review programs available for this population.	Ongoing and annual	The Section, weatherization and energy crisis intervention program providers report this has been a successful measure for residents. Clerk will continue to meet with providers to review available programs.
No Name	Support the development of low cost child care facilities and job training programs in the County to enable the female householders to enter the job market. Meet with Child Care Council on an annual basis to review possible childcare needs of the community.	Annual	Child care continues to be of concern to residents of Montague. This measure should continue.
No Name	d) Overcrowded households: See 'Large families' section.	Apply for CDBG every other year	The City has applied for CDBG programs and made funds available to residents.

No Name	e) Lower income households overpaying for housing - Encourage the development of affordable and subsidized rental housing in the City by: referring potential housing developers to the local Great Northern Corporation for discussion of various subsidized housing alternatives; referring potential housing developers to the local Rural Development for review of various subsidized housing alternatives; referring lower income households overpaying for housing to the operators of the Section 8 existing weatherization, and energy crisis intervention programs. Meeting with local and regional economic development and job training programs, on an annual basis, to assist developing programs which will enable lower income households to increase their income.	Ongoing and annual	All of these measures have had success and should continue in the future.
No Name	f) The City shall revise the zoning ordinance to State Health and Safety Code 1267.8, jurisdictions are required to permit, "by right", intermediate care facilities ("group homes") for the developmentally disabled which serve six or fewer persons in any residential zone. Sections 65008 and 65583 of the Government Code require that cities remove constraints or provide "reasonable accommodations" for housing for persons with disabilities.	Completed by July 2006	The City has contracted with a consultant to evaluate the zoning ordinance for consistency with new legislature.
No Name	g) Group homes: The City shall revise the Zoning Ordinance to comply with Government Code 65008 which cites that no local governmental agency shall prohibit or discriminate against any residential development or emergency shelter because of race, sex, color, religion, ethnicity, national origin, ancestry, lawful occupation, familial status, disability, age of the individual or group of individuals, the method of residential development financing, or the intended occupancy by persons or families of low, moderate or middle income.	Zoning ordinance review and update by December 2006	The City recognizes the need for group homes. The City shall work on reviewing their zoning ordinance during the planning period.

No Name	n) The City has been encouraging and supporting the development, maintenance and improvement of housing for persons with disability through their expertise Housing Rehabilitation program. To further the efforts the city will adopt a formal reasonable accommodation procedure policy. This policy will formalize allowing exceptions to zoning requirements upon the request of the person with a disability consistent with fair housing related laws and regulations. Further the City will evaluate the zoning ordinance definition of family and if necessary, amend the definition to encourage development, maintenance and improvement of housing for persons with disabilities.	Completed August 2006	The City has implemented this measure and will work on reviewing their zoning ordinance during the planning period.
No Name	3) Have information and referral information available at City Hall for housing, human, and social service programs operating in the County.	Information is in place by March 2005	Information is available and referrals have been successful.
	GOAL II: PRESERVATION OF THE HOUSING STOCK AND COMMUNITY ENVIRONMENT THROUGH REHABILITATION AND CONSERVATION.		
	POLICY A: Monitor the conditions of the Housing stock.		
No Name	1) In 2007, the City shall conduct a formal windshield survey of the housing stock in conjunction with updates of the housing element and CDBG applications.	Jun-07	A windshield survey was performed in 2003 and the results outlined in the current Housing Element.
	1) Enforce adopted building standards. The City shall allow only building permits for structures that conform to the adopted building standards. On a complaint basis the Code Enforcement Officer will review existing buildings and the surrounding yards to determine if health and safety and building codes are being met. If not the officer will seek to remedy the situation.	Continuous	Building standards will be enforced and this continues to be an important measure.
No Name	2) Update of the general plan, by 2006, especially the land use element, to identify current and future uses of the community neighborhoods.	Dec-06	The City has contracted with a consultant to evaluate the general plan and land use element and provide recommendations. In the future, the City will seek to secure a Technical Assistance Grant to assist in updating the City's General Plan.
	POLICY C: Promote housing rehabilitation programs.		

No Name	1) Support applications by housing developers to utilize governmental housing programs such as RD 504 programs, CDBG programs, and other housing rehabilitation programs. City Clerk will meet with CDBG consultants on a quarterly basis to review housing programs.	Annual and ongoing	The City has not experienced growth in the planning year but will continue to implement this measure.
No Name	2) Make information available at City Hall to persons interested in housing rehabilitation programs.	Ongoing	This information is available at City Hall. This measure has been successful and should continue.
No Name	3) Refer interested person to the operators, primarily Great Northern Corporation, of weatherization programs in the County.	Ongoing	This measure has been successful and should continue.
No Name	4) Apply for CDBG funds to assist residents rehabilitate existing housing. The City shall seek funds for 40 low-income rehabilitation loans/grants during the planning period.	Meet with consultants quarterly.	No units were rehabilitated with CDBG funds during the 2007 planning year. However, ten units have been rehabilitated with CDBG funds during the Planning period for the current Housing Element. This measure has been successful and should continue.
	GOAL III: PROVIDE ADEQUATE SITES FOR ALL TYPES OF HOUSING		
	POLICY A: Develop policies to encourage residential development.		
No Name	1) Review and update, if necessary, by 12/30/06 all elements of the general plan, maintaining consistency with this element's goals.	Jun-06	The City has contracted with a consultant to evaluate the general plan and land use element and provide recommendations. In the future, the City will seek to secure a Technical Assistance Grant to assist in updating the City's General Plan.
No Name	2) Review, by 6/30/05, all zoning ordinances to assure that there remain sufficient sites of multi-family and single family housing to meet future basic construction needs.	Review was completed by June 2005	The City continues to evaluate potential housing sites to meet future residential development.
No Name	3) Review on an annual basis the building permit, use permit, planning and environmental review process to determine if changes are warranted.	Annual	Permits and processes are reviewed on a yearly basis by staff.

No Name	4) Continue to review, by 6/30/04, off site development plans for street, water, sewer, schools and other items to determine if the plans are compatible with expected future growth.	Annual report to City Council.	The City has not experienced growth in the planning year but will continue to implement this measure.
	POLICY B: Encourage site development for low and moderate income housing.		
No Name	1) Encourage the developers of low and moderate income housing to utilize existing scattered developable lots within the City. Meet with Housing Consultants to review incentives for "infill" development. The City will be represented on the SAGE working group developing a strategy for affordable housing development.	Annual for review, monthly for SAGE working group.	This measure is supported by the City and should continue. In the future, the City will be designating a bicycle route and seek funding from the State.
	POLICY C: Provide for adequate future housing sites.		
No Name	1) Review by 6/30/04 the public facility plan that provides for the expansion of water and sewer facilities to serve the new residential housing designated land.	Jun-04	This plan has been reviewed and will continue to be implemented.
No Name	2) Review on an annual basis the existing water/sewer capital improvement program to determine if the current fee structure is adequate to finance the needed capacity in the utility systems.	Annual	This measure has been enacted and should continue.
No Name	3) Review, at a public meeting on an annual basis, all governmental constraints and publish comments and suggestions as a report to the City Council.	Annual	This measure has been enacted and should continue.
No Name	4) The City shall make future applications for CDBG housing rehabilitation funds if the owners of substandard housing units have indicated a desire to participate in a City sponsored housing rehabilitation program and the overall need for rehabilitation exists in the City.	Annual	The City has applied for CDBG programs and made funds available to residents.
No Name	The City shall seek to provide 43 new units in order to meet regional housing needs and shall apply for CDBG funds to provide low rate loans for rehabilitation of low income residents' homes.	Annual	To date the City has provided 31 units in order to meet its regional housing needs. The City has two more years to meet its balance of 11 units.

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Explanation to TABLE C Part 2

052-163-320 Single-Family Residence – 140 W. Scobie Street
052-111-160 Single-Family Residence – 101 S. 14th Street
052-221-070 Single-Family Residence – 420 South 9th Street
052-272-290 Mobile Home on Foundation – 600 East Street
052-223-030 Mobile Home on Foundation – 292 E. Orr Street
052-132-150 Mobile Home on Foundation – 170 S 7th Street
052-172-100 Mobile Home on Foundation – 221 S. 15th Street
052-272-320 Mobile Home on Foundation – 500 East Street

The projects are consistent with the City of Montague General Plan Land Use Element, particularly those programs identified under Goal II, Preservation of the Housing Stock and Community Environment through Rehabilitation and Conservation, which serve to protect existing neighborhoods, enhance the sense of community, and promote the conservation and enhancement of Montague's small town atmosphere.